

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION**

**KINNIE MA IRA, et al.,**  
*Plaintiff*

v.

**ASCENDANT CAPITAL, LLC, et al.,**  
*Defendants*

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**Case No. 1:19-CV-01050-ADA**

**ORDER**

Now before the Court are Plaintiffs’ Motion to Partially Lift Stay for the Limited Purpose of Approving Settlement with Auditor Defendants, filed December 11, 2024 (Dkt. 1217); Broker-Dealer Defendants’ Response, filed January 10, 2025 (Dkt. 1224); Defendants Jeffry Schneider, David Gentile, Ascendant Capital LLC, Ascendant Alternative Strategies, LLC, and DJ Partners LLC’s Response, filed January 15, 2025 (Dkt. 1227); Notice of New Authority in Further Support of Response in Opposition to Partially Lift Stay, filed January 21, 2025 (Dkt. 1230); and Plaintiffs’ Reply, filed January 24, 2025 (Dkt. 1234).<sup>1</sup>

Plaintiffs Kinnie Ma IRA, Dean Crooks, Jeffery S. Gramm IRA, Stacy Greasor IRA, Corri Rene Eden, Catherine Kominos, Karen Loch, Robert A. Stone Living Trust, Shirley Stone Living Trust, Victor Wade IRA, Kazue M. Bell, The Stanley S. and Millicent R. Barasch Living Trust, and Loretta DeHay are investors who purchased limited partnership interests in individual funds sponsored and managed by GPB Capital Holdings, LLC. Consolidated Class Action Complaint, Dkt. 916 ¶¶ 2, 109. Plaintiffs allege that they are victims of a \$1.8 billion Ponzi scheme and bring this consolidated class action suit against Defendants Ascendant Capital, LLC; Ascendant

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<sup>1</sup> By Text Order entered January 15, 2025, the District Court referred the motion to this Magistrate Judge for disposition, pursuant to 28 U.S.C. § 636(b)(1)(A), Federal Rule of Civil Procedure 72, and Rule 1(c) of Appendix C of the Local Rules of the United States District Court for the Western District of Texas.

Alternative Strategies, LLC; Axiom Capital Management, Inc.; DJ Partners LLC; MR Ranger LLC; David Gentile; Jeffry Schneider; Mark D. Martino; Michael Frost; Dotty Bollinger; Evan Myrianthopolous; Scott Naugle; various GPB entities; Highline Management, Inc.; RSM US LLP; Crowe Horwath LLP; CohnReznick LLP; EisnerAmper LLP; Margolin Winer & Evens LLP; and Withum Smith+ Brown, PC; Phoenix American Financial Services, Inc.; Deloitte Transactions and Business Analytics LLP; Morrison, Brown, Argiz & Ferra, LLC; Gentile Pismeny & Brengel LLP; CKGF Holding, LLC; McAnna, LP; Robert Kessler; Gerald Francese; Rina Chernaya; and “the various brokerage firms identified herein.” *Id.* at 1-3. Plaintiffs allege violations of the Texas Securities Act and the Texas Uniform Fraudulent Transfer Act, fraud, breach of fiduciary duty, negligence, and civil conspiracy.

In January 2021, Defendants David Gentile and Jeffry Schneider were indicted in the Eastern District of New York on charges of conspiracy to commit securities fraud and wire fraud. *United States v. Gentile*, No. 1:21-CR-00054-RPK (E.D.N.Y. Jan. 29, 2021). On August 21, 2023, this Magistrate Judge granted Defendants Gentile, Schneider, Ascendant Capital, AAS, and DJ Partners LLC’s motion to stay the case. Dkt. 1181 at 18. The Order stated: “The Court orders that this case remain stayed until Gentile and Schneider either are sentenced or acquitted or the charges against them are dismissed.” *Id.*

On December 11, 2024, Plaintiffs filed their Motion to Partially Lift the Stay for the purpose of finalizing a settlement agreement with Defendants CohnReznick LLP, Crowe LLP, Margolin, Winer & Evens LLP, RSM US LLP, and WithumSmith+Brown, PC. Dkt. 1217.

Defendants Gentile and Schneider were sentenced on May 13, 2025. *See* Final Judgments, Dkts. 596 and 598 in 1:21-cr-00054-RPK-PK. Pursuant to the Court’s August 21, 2023 Order, the stay was automatically lifted on that date, and Plaintiffs’ motion is moot. Dkt. 1181 at 18.

Accordingly, Plaintiffs' Motion to Partially Lift Stay for the Limited Purpose of Approving Settlement with Auditor Defendants (Dkt. 1217) is **DISMISSED** as **MOOT**. The stay the Court imposed on August 21, 2023 has been lifted and proceedings resumed.

It is **FURTHER ORDERED** that the Clerk **REMOVE** this case from this Magistrate Judge's docket and **RETURN** it to the docket of the Honorable Alan Albright.

**SIGNED** on May 19, 2025.



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SUSAN HIGHTOWER  
UNITED STATES MAGISTRATE JUDGE